

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
 :
Retrieval-Masters Creditors Bureau, Inc.,¹ : Case No. 19-23185 (RDD)
 :
Debtor. :
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**STIPULATION AND ORDER RESOLVING
CLAIMS BETWEEN AND AMONG DEBTOR AND
CONDUENT STATE & LOCAL SOLUTIONS, LLC**

This Stipulation and Order Resolving Claims Between and Among Debtor And Conduent State & Local Solutions, LLC (this “Stipulation”) is entered into by and between: Retrieval-Masters Creditors Bureau, Inc. (the “Debtor”) and Conduent State & Local Solutions, LLC (“Conduent” and, together with the Debtor, the “Parties”), by their undersigned counsel, with reference to the following facts:

RECITALS

A. Conduent (as successor) and the Debtor are parties to that Definitive Subcontract Agreement By and Between ACS State & Local Solutions, Inc. and Retrieval-Masters Creditors Bureau, Inc., to Provide Services in Support of Payment Collections For New Jersey E-ZPass Professional Services Program (as amended from time to time, the “Contract”).

B. Pursuant to the Contract and the Parties’ course of conduct prior to the date of the commencement of the Debtor’s chapter 11 case on June 17, 2019 (the “Petition Date”), the Debtor would receive funds on behalf of Conduent, and was entitled to a fixed percentage of those funds. Similarly, Conduent would receive funds that would entitle the Debtor to a fixed

¹ The last four digits of the Debtor’s taxpayer identification number is 9495. The location of the Debtor’s service address for purposes of this chapter 11 case is 4 Westchester Plaza, Suite 110, Elmsford, NY 10523. The Debtor also has done business as American Medical Collection Agency.

percentage of the amounts received. The Parties would then reconcile the various accounts receivable and payable to each other in the ordinary course of business on a regular basis.

C. Since the Petition Date, the Debtor is no longer operating its business as a going concern. However, residual receipts associated with collection accounts assigned to Conduent under the Contract have continued, both for the Debtor and for Conduent.

D. The Parties wish to wind-up their relationship on an amicable basis, provide for the reconciliation of all outstanding balances, and for mutual cooperation in furtherance of the foregoing.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the Parties hereby stipulate and agree as follows:

1. Effective as of September 1, 2019, the Debtor shall forward all payments received from or on behalf of Conduent account debtors (including, without limitation, checks, money orders and cash) to Conduent for deposit and Conduent shall be authorized to deposit the cash, checks and money orders into its New Jersey Turnpike Authority Account.

2. Within four (4) business days after this Stipulation is “so ordered” by the Court: (a) the Debtor shall provide Conduent with all payment files (payments processed by the Debtor – known as “pmt” files) not previously provided to Conduent; and (b) Conduent (New Jersey Turnpike Authority account) shall transfer \$21,827.65 to the Debtor, representing the net amount owed to the Debtor as of September 6, 2019 (the “Reconciliation Payment”), in full and final satisfaction of any amounts due and owing between the Parties as of such date.

3. For the avoidance of doubt, the Debtor shall conduct no additional active collection efforts on behalf of Conduent or Conduent’s customers.

4. To the extent that, notwithstanding the foregoing, payments continue to be received by either or both of the Parties in respect of accounts previously assigned to the Debtor for collection under the Contract and in accordance with the Parties' prior course of conduct, Conduent shall continue to provide to the Debtor, on a weekly basis, update files that identify all payments Conduent has received directly from Conduent account debtors and/or from the payments that the Debtor has forwarded in the manner described in paragraph 1 hereof. Unless otherwise agreed, the Debtor shall provide Conduent with reconciliation invoices and reports approximately every fifteen (15) days for a period of at least ninety (90) days after the date hereof, reflecting the payments and fees due the Debtor from Conduent account debtors assigned to the Debtor for collection under the Contract.

5. This Stipulation shall be in full and final satisfaction of any claims (including, without limitation, chapter 5 causes of action) of the Parties against each other under the Contract in relation to the Reconciliation Payment or any ancillary documents or agreements, and shall insure to the benefit of any successors or assigns. Other than the respective obligations of the Parties set forth herein, the Parties shall have no further obligations to each other arising from or related to the Contract or the course of the Parties' dealings thereunder.

6. The Parties have cooperated in the drafting and preparation of this Stipulation. Therefore, neither shall be considered the sole or primary drafter for the purposes of the interpretation of any ambiguities in this Stipulation.

7. This Stipulation shall not be effective unless and until "so ordered" by the Court.

8. The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of this Stipulation.

Dated: September 19, 2019
New York, New York

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*Attorneys for Conduent State & Local
Solutions, LLC*

SO ORDERED, there being no objections after due notice, to the debtor's motion, by notice of presentment dated September 19, 2019, to entry hereof:

Dated: October 7, 2019
White Plains, NY

/s/ Robert D. Drain
The Honorable Robert D. Drain
United States Bankruptcy Judge